

State Of New Hampshire Monthly Revenue Focus

Department of Administrative Services

Commissioner Donald S. Hill



Monthly Revenue Summary

	<u>FY 04</u>	<u>FY 03</u>	<u>Inc/(Dec)</u>
Gen & Educ	\$ 214.9	\$ 164.8	\$ 50.1
Highway	\$ 19.1	\$ 18.7	\$.4
Fish & Game	\$.7	\$.6	\$.1

Current Month Analysis

General & Education Funds	FY04 Actuals	FY04 Plan	Actual vs. Plan
Business Profits Tax	\$ 3.9	\$ 8.1	\$ (4.2)
Business Enterprise Tax	14.3	\$ 11.5	2.8
Subtotal	18.2	19.6	(1.4)
Meals & Rooms Tax	15.7	16.4	(0.7)
Tobacco Tax	9.8	8.7	1.1
Liquor Sales and Distribution	9.2	9.3	(0.1)
Interest & Dividends Tax	1.5	1.5	-
Insurance Tax	0.6	0.8	(0.2)
Communications Tax	5.5	5.5	-
Real Estate Transfer Tax	13.8	10.5	3.3
Estate & Legacy Tax	1.2	2.0	(0.8)
Court Fines & Fees	2.2	2.3	(0.1)
Securities Revenue	0.4	0.5	(0.1)
Utility Tax	0.6	0.5	0.1
Board & Care Revenue	1.3	1.0	0.3
Beer Tax	1.0	1.1	(0.1)
Racing Revenue	0.3	0.3	-
Flexible Grant	25.0	25.0	-
Other	4.6	4.9	(0.3)
Transfers from Sweepstakes	7.0	5.8	1.2
Tobacco Settlement	0.4	-	0.4
Utility Property Tax	0.4	-	0.4
Property Tax Not Retained Locally	-	-	-
Property Tax Retained Locally	-	-	-
Subtotal	118.7	115.7	3.0
Net Medicaid Enhancement Rev Recoveries	96.2	88.4	7.8
Subtotal	-	1.1	(1.1)
Subtotal	214.9	205.2	9.7
Other Medicaid Enhancement Rev to Fund Net Appropriations	-	-	-
Total	\$ 214.9	\$ 205.2	\$ 9.7

Year-to-date unrestricted revenue for the General and Education Funds totaled \$557.1 million, which was below plan by \$8.8 million but above prior year by \$62.3 million. For the month of October, collections totaled \$214.9 million, which was ahead of both plan and prior year by \$9.7 million and \$50.1 million, respectively. The increase over last year is the result of the \$25 million Flexible Grant Payment and \$19.0 million in Net Medicaid Enhancement Revenue from growth in the 6% Hospital Tax.

In October, the State received the second \$25 million **Flexible Grant** payment as a result of the Federal Jobs and Growth Reconciliation Act of 2003. The initial Flexible Grant payment of \$25 million, received in July, was recorded as unrestricted revenue in Fiscal 2003. The budget as authorized by Chapter 318 Laws of 2003 included \$50 million as the revenue estimate for the Flexible Grant in FY04. When the monthly allocation of the plan was published in August, the plan netted out the first \$25 million payment. Based upon further review, it was determined that the plan should not be adjusted for this timing difference and the monthly allocation of the Plan has been restated to include the full \$50 million for the annual estimate. Therefore, the year to date actual to plan variance reflects a \$25 million shortfall. The revised plan can be viewed at our web site.

Business Tax Revenue for October totaled \$18.2 million, which fell short of both plan and prior year by \$1.4 million and \$1.0 million, respectively. Year to date collections totaled \$99.8 million, slightly ahead of plan by \$0.4 million and above prior year by \$2.3 million. The October receipts included the final returns for those businesses that filed for extensions last March. As can be seen on the business tax chart on page 2, December is the next key collection month as calendar year businesses file their 4th quarter estimated payments.

Strong performance was seen again this month from the **Real Estate Transfer (RET)** tax, coming in at \$3.3 million ahead of plan. As the result of increased home prices, sales activity spurred by low interest rates, and the repeal of the tax exemption from business property transfers, year to date RET tax collections are ahead of both plan and prior year by 12% (\$5.6 mil) and 18% (\$7.8 mil), respectively.

The **Tobacco Tax** continued to exceed prior year collections due to the tax rate advantage over neighboring states. Year to date revenue is currently ahead of plan by 6% and over prior year by 11%.

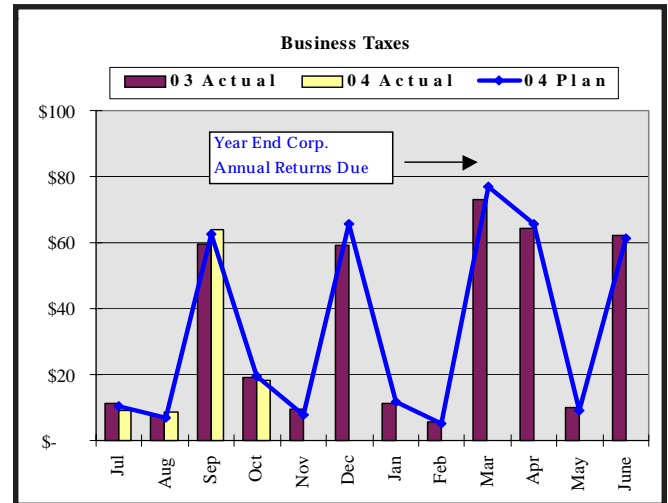
Net Medicaid Enhancement Revenues, from the 6% hospital gross patient services, generated net revenue of \$96.2 million. Two hospital payments have not been processed and are expected to generate an additional \$1.1 million of net revenue from this activity.

As can be seen on the following page, the **Education Fund** cash balance at October 31 is a negative \$65.8 million. Year to date revenue collections were \$94.9 million, \$5.3 million above plan. The next grant payment for \$135.5 million is scheduled for Jan 1.

All funds reported in Millions and on a Cash Basis

YTD Revenue Summary

	<u>FY 04</u>	<u>FY 03</u>	<u>Inc/(Dec)</u>
Gen & Educ	\$ 557.1	\$ 494.8	\$ 62.3
Highway	\$ 78.3	\$ 74.9	\$ 3.4
Fish & Game	\$ 2.9	\$ 2.6	\$.3



General & Education Funds Comparison to FY 03

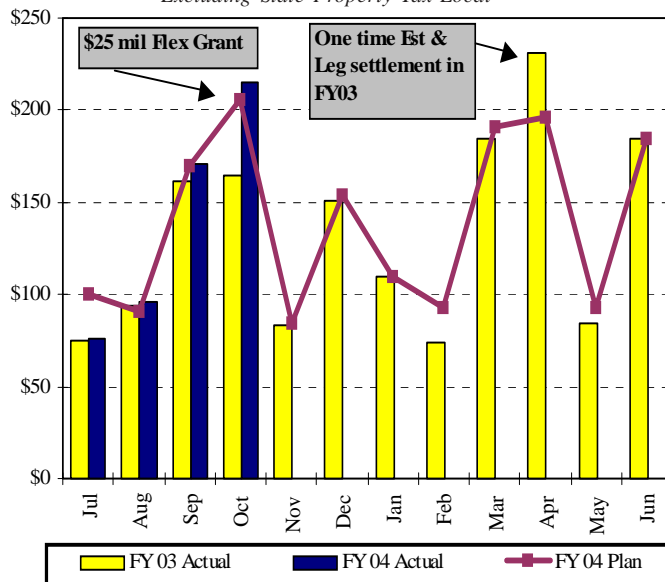
General & Education Funds	<u>Monthly</u>			<u>Year-to-Date</u>			<u>%</u>
	<u>FY04</u> <u>Actuals</u>	<u>FY03</u> <u>Actuals</u>	<u>Inc/(Dec)</u>	<u>FY04</u> <u>Actuals</u>	<u>FY03</u> <u>Actuals</u>	<u>Inc/(Dec)</u>	
Business Profits Tax	\$ 3.9	\$ 4.8	\$ (0.9)	\$ 36.9	\$ 38.0	\$ (1.1)	-2.9%
Business Enterprise Tax	14.3	14.4	(0.1)	62.9	59.5	3.4	5.7%
Subtotal	18.2	19.2	(1.0)	99.8	97.5	2.3	2.4%
Meals & Rooms Tax	15.7	15.5	0.2	73.5	71.2	2.3	3.2%
Tobacco Tax	9.8	8.8	1.0	36.6	32.9	3.7	11.2%
Liquor Sales and Distribution	9.2	8.8	0.4	37.7	35.5	2.2	6.2%
Interest & Dividends Tax	1.5	1.3	0.2	10.5	12.6	(2.1)	-16.7%
Insurance Tax	0.6	0.9	(0.3)	19.4	18.6	0.8	4.3%
Communications Tax	5.5	4.9	0.6	21.7	21.8	(0.1)	-0.5%
Real Estate Transfer Tax	13.8	9.6	4.2	51.6	43.8	7.8	17.8%
Estate & Legacy Tax	1.2	4.5	(3.3)	10.2	19.2	(9.0)	-46.9%
Court Fines & Fees	2.2	2.3	(0.1)	10.0	10.8	(0.8)	-7.4%
Securities Revenue	0.4	0.5	(0.1)	1.4	1.5	(0.1)	-6.7%
Utility Tax	0.6	0.6	-	2.1	2.0	0.1	5.0%
Board & Care Revenue	1.3	0.8	0.5	4.3	3.0	1.3	43.3%
Beer Tax	1.0	0.8	0.2	4.8	4.7	0.1	2.1%
Racing Revenue	0.3	0.4	(0.1)	1.4	1.6	(0.2)	-12.5%
Flexible Grant	25.0	-	25.0	25.0	-	25.0	100.0%
Other	4.6	2.9	1.7	15.1	13.8	1.3	9.4%
Transfers from Sweepstakes	7.0	5.7	1.3	20.1	15.6	4.5	28.8%
Tobacco Settlement	0.4	-	0.4	0.4	-	0.4	-
Utility Property Tax	0.4	0.1	0.3	4.8	4.5	0.3	6.7%
Property Tax Not Retained Locally	-	-	-	-	-	-	-
Property Tax Retained Locally	-	-	-	-	-	-	-
Subtotal	118.7	87.6	31.1	450.4	410.6	39.8	9.7%
Net Medicaid Enhancement Rev	96.2	77.2	19.0	100.5	80.8	19.7	24.4%
Recoveries	-	-	-	2.1	-	2.1	100.0%
Subtotal	214.9	164.8	50.1	553.0	491.4	61.6	12.5%
Other Medicaid Enhancement Rev to Fund Net Appropriations	-	-	-	4.1	3.4	0.7	20.6%
Total	\$ 214.9	\$ 164.8	\$ 50.1	\$ 557.1	\$ 494.8	\$ 62.3	12.6%

Year-to-Date Analysis

General & Education Funds	General		Education		Total		
	Actual	Plan	Actual	Plan	Actual	Plan	Actual vs. Plan
Business Profits Tax	\$ 26.8	\$ 41.8	\$ 10.1	\$ 10.1	\$ 36.9	\$ 51.9	\$ (15.0)
Business Enterprise Tax	33.7	18.3	29.2	29.2	62.9	47.5	15.4
Subtotal	60.5	60.1	39.3	39.3	99.8	99.4	0.4
Meals & Rooms Tax	70.6	70.8	2.9	2.7	73.5	73.5	-
Tobacco Tax	26.4	24.5	10.2	10.0	36.6	34.5	2.1
Liquor Sales and Distribution	37.7	37.7	-	-	37.7	37.7	-
Interest & Dividends Tax	10.5	13.5	-	-	10.5	13.5	(3.0)
Insurance Tax	19.4	18.8	-	-	19.4	18.8	0.6
Communications Tax	21.7	22.3	-	-	21.7	22.3	(0.6)
Real Estate Transfer Tax	34.4	30.6	17.2	15.4	51.6	46.0	5.6
Estate & Legacy Tax	10.2	9.0	-	-	10.2	9.0	1.2
Court Fines & Fees	10.0	10.4	-	-	10.0	10.4	(0.4)
Securities Revenue	1.4	1.8	-	-	1.4	1.8	(0.4)
Utility Tax	2.1	2.1	-	-	2.1	2.1	-
Board & Care Revenue	4.3	3.3	-	-	4.3	3.3	1.0
Beer Tax	4.8	4.9	-	-	4.8	4.9	(0.1)
Racing Revenue	1.4	1.2	-	-	1.4	1.2	0.2
Flexible Grant	25.0	50.0	-	-	25.0	50.0	(25.0)
Other	15.1	14.3	-	-	15.1	14.3	0.8
Transfers from Sweepstakes	-	-	20.1	17.4	20.1	17.4	2.7
Tobacco Settlement	-	-	0.4	-	0.4	-	0.4
Utility Property Tax	-	-	4.8	4.8	4.8	4.8	-
Property Tax Not Retained Locally	-	-	-	-	-	-	-
Property Tax Retained Locally	-	-	-	-	-	-	-
Subtotal	355.5	375.3	94.9	89.6	450.4	464.9	(14.5)
Net Medicaid Enhancement Rev	100.5	92.8	-	-	100.5	92.8	7.7
Recoveries	2.1	4.1	-	-	2.1	4.1	(2.0)
Subtotal	458.1	472.2	94.9	89.6	553.0	561.8	(8.8)
Other Medicaid Enhancement Rev to Fund Net Appropriations	4.1	4.1	-	-	4.1	4.1	-
Total	\$ 462.2	\$ 476.3	\$ 94.9	\$ 89.6	\$ 557.1	\$ 565.9	\$ (8.8)

Monthly Unrestricted Revenue

Excluding State Property Tax-Local



Education Trust Fund

Statement of Activity - FY 2004

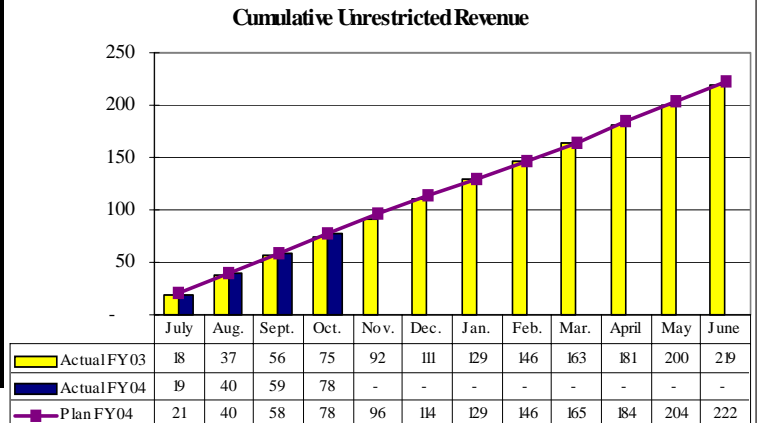
July 1, 2003 to October 31, 2003

Description	In Millions
Beginning Balance (unaudited)	\$ -
Unrestricted Revenue - See above	94.9
Transfers from General Fund Appropriations	25.0
Expenditures	
Education Grants & Adm Costs	(185.7)
Ending Balance	\$ (65.8)

Year-to-Date Analysis

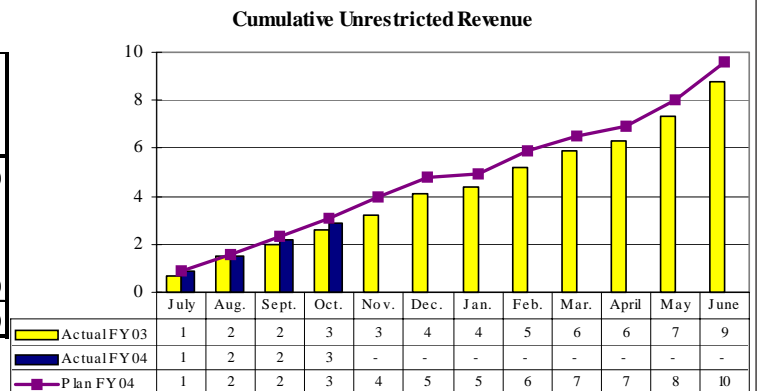
Highway Fund

Revenue Category	FY 04 Actuals	FY 04 Plan	Actual vs. Plan
Gasoline Road Toll	\$ 44.3	\$ 44.1	\$ 0.2
Miscellaneous	1.4	1.9	(0.5)
Motor Vehicle Fees			
MV Registrations	24.3	23.3	1.0
MV Operators	4.0	5.1	(1.1)
Inspection Station Fees	1.2	1.0	0.2
MV Miscellaneous Fees	1.3	1.7	(0.4)
Certificate of Title	1.8	1.1	0.7
Total Fees	32.6	32.2	0.4
Total	\$ 78.3	\$ 78.2	\$ 0.1



Fish & Game Fund

Revenue Category	FY 04 Actuals	FY 04 Plan	Actual vs. Plan
Fish and Game Licenses	\$ 2.6	\$ 2.7	\$ (0.1)
Fines and Penalties	-	-	-
Miscellaneous Sales	.1	.1	-
Federal Recoveries Indirect Costs	.2	0.3	(0.1)
Total	\$ 2.9	\$ 3.1	\$ (0.2)



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